

1-1 By: Duncan, Seliger S.B. No. 1833  
1-2 (In the Senate - Filed March 9, 2007; March 22, 2007, read  
1-3 first time and referred to Committee on Natural Resources;  
1-4 April 26, 2007, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 26, 2007,  
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1833 By: Duncan

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the administration and powers of the Canadian River  
1-11 Municipal Water Authority.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (b), Section 5, Chapter 243, Acts of  
1-14 the 53rd Legislature, Regular Session, 1953, is amended to read as  
1-15 follows:

1-16 (b) The Board of Directors shall hold regular meetings, the  
1-17 date thereof to be established in the District's bylaws or by  
1-18 resolution. The President or any three members may call such  
1-19 special meetings as may be necessary in the administration of the  
1-20 District's business, provided that at least five days prior to the  
1-21 meeting date, the Secretary shall have mailed notice thereof to the  
1-22 address which each member shall file with the Secretary. Notices of  
1-23 special meetings may be waived in writing by any Director. The  
1-24 Board of Directors or Board committees may hold meetings by  
1-25 telephone conference call, videoconference call, or through  
1-26 communications over the Internet, in accordance with procedures  
1-27 provided by Subchapter F, Chapter 551, Government Code, if  
1-28 determined to be necessary or convenient by the President or any  
1-29 three members. A closed meeting of the Board of Directors that is  
1-30 authorized under Chapter 551, Government Code, may include officers  
1-31 and employees of constituent cities of the District. Each Director  
1-32 shall receive a fee as provided by general law [of not more than  
1-33 Fifty (\$50.00) Dollars for each attendance at a Board meeting and a  
1-34 fee of not more than Fifty (\$50.00) Dollars] for each day devoted to  
1-35 District business [other than a Board meeting]. Each Director is  
1-36 also entitled to reimbursement for actual expenses incurred in  
1-37 carrying out District business, including attending a Board  
1-38 meeting. Payment to a Director for services performed and expenses  
1-39 incurred is subject to the approval of a majority of the Board.

1-40 SECTION 2. Section 13, Chapter 243, Acts of the 53rd  
1-41 Legislature, Regular Session, 1953, is amended to read as follows:

1-42 Sec. 13. DISTRICT POWERS. In addition to those herein  
1-43 otherwise mentioned, the District shall be and is hereby authorized  
1-44 to exercise the following powers, rights, privileges and functions:

1-45 (a) To store, control, conserve, protect, distribute and  
1-46 utilize within or without the District or within or without the  
1-47 state the storm and flood waters and unappropriated flow of the  
1-48 Canadian River and its tributaries, and to prevent the escape of any  
1-49 such waters without first obtaining therefrom a maximum of public  
1-50 benefit, by the construction of a dam or dams across said river and  
1-51 its tributaries, or otherwise, by complying with Chapter 11, Water  
1-52 Code, and in such manner as shall fully recognize and be in harmony  
1-53 with the limitations of use of the waters of said river provided in  
1-54 the "Canadian River Compact" appearing as Chapter 43, Water Code.  
1-55 The District is also empowered to provide by purchase, contract,  
1-56 lease, gift, or in any other lawful manner, and to develop all  
1-57 facilities within or without the District or within or without the  
1-58 state deemed necessary or useful for the purpose of storing,  
1-59 controlling, conserving, protecting, distributing, processing and  
1-60 utilizing such surface water and the transportation thereof to the  
1-61 cities and areas comprising the District for municipal, domestic,  
1-62 industrial and other useful purposes permitted by law.

1-63 (b) To acquire and develop within or without the District or

2-1 within or without the state any other available source of surface,  
 2-2 storm, flood, underground, or other water supply and to construct,  
 2-3 acquire and develop all facilities deemed necessary or useful with  
 2-4 respect thereto.

2-5 (c) To acquire, construct, develop, operate, and maintain  
 2-6 any and all property of any kind, real, personal, or mixed, or any  
 2-7 interest in property whether within or without the District or  
 2-8 within or without the state and to enter into any contracts with any  
 2-9 person or legal entity and take all actions necessary or convenient  
 2-10 in order to protect and preserve, and to prevent, eliminate,  
 2-11 reduce, or minimize the pollution, contamination, or deterioration  
 2-12 of the quality of, the water of the Canadian River or any of its  
 2-13 tributaries or the water of any other source of water supply to the  
 2-14 District in order to facilitate the use of the water for any lawful  
 2-15 purpose.

2-16 (d) To acquire, construct, develop, operate, and maintain  
 2-17 any facilities or systems for drilling, pumping, capturing,  
 2-18 reducing, intercepting, eliminating, impounding, controlling,  
 2-19 using, injecting or otherwise capturing and disposing of brine,  
 2-20 brackish water, saltwater, saline water, or other water  
 2-21 contaminated by any type of chlorine, sodium, sulfates, or other  
 2-22 chemical condition or characteristic detrimental to the quality of  
 2-23 the water, whether the source of contaminated water is groundwater  
 2-24 or surface water, within or without the District or within or  
 2-25 without the state, and whether the facilities or systems are  
 2-26 located within or without the District or within or without the  
 2-27 state.

2-28 (e) To acquire or utilize surface or underground water  
 2-29 rights and to develop surface or underground water resources in any  
 2-30 manner in furtherance of the purposes described in Subsections (c)  
 2-31 and (d) of this section.

2-32 (f) To declare any facilities or system acquired or  
 2-33 constructed under Subsections (a) through (e) of this section to be  
 2-34 a part of the District's water supply system.

2-35 (g) To acquire by purchase, construction, lease, gift, or in  
 2-36 any other lawful manner, and to maintain, use and operate any and  
 2-37 all property of any kind, real, personal or mixed, or any interest  
 2-38 therein, within or without the boundaries of the District or within  
 2-39 or without the state, necessary or convenient to the exercise of the  
 2-40 powers, rights, privileges and functions possessed by the District  
 2-41 under this Act.

2-42 (h) To acquire by condemnation any and all property of any  
 2-43 kind, real, personal, or mixed, or any interest therein, within or  
 2-44 without the boundaries of the District, necessary or convenient to  
 2-45 the exercise of the powers, rights, privileges and functions  
 2-46 possessed by the District, in the manner provided by Chapter 21,  
 2-47 Property Code, relating to eminent domain. The amount of and  
 2-48 character of the property thus to be acquired shall be determined by  
 2-49 the Board of Directors, provided that the District shall not have  
 2-50 the right to so condemn any property which may be owned by any other  
 2-51 political subdivision, city or town; provided, however, that as  
 2-52 against persons, firms, and corporations, or receivers or trustees  
 2-53 thereof, who have the power of eminent domain, the fee title may not  
 2-54 be condemned, but the District may condemn only an easement. It is  
 2-55 specifically provided, however, that the District does not have the  
 2-56 authority to condemn underground water rights.

2-57 (i) To sell or otherwise dispose of any surplus property of  
 2-58 any kind, real, personal, or mixed, or any interest therein, which  
 2-59 shall not be necessary to the operation of the District in  
 2-60 accordance with general law applicable to a municipality or to a  
 2-61 district created under Section 59, Article XVI, Texas Constitution  
 2-62 [, provided, however, that in all cases in which the Board of  
 2-63 Directors considers the value of such property to be in excess of  
 2-64 One Thousand (\$1,000.00) Dollars, same shall be sold only upon  
 2-65 advertisement and competitive bids].

2-66 (j) To require the relocation of roads and highways in the  
 2-67 manner and to the extent permitted to Districts organized under  
 2-68 Section 59 of Article XVI of the Texas Constitution; the cost of  
 2-69 relocation of any roads, highways or railroads or telephone or

3-1 telegraph properties or facilities made necessary by this Act and  
 3-2 any reasonable actual damage incurred in changing and adjusting the  
 3-3 lines and grades of railroads or such highways or roads or telephone  
 3-4 or telegraph properties or facilities shall be paid by the  
 3-5 District.

3-6 (k) To make contracts with any person or legal entity,  
 3-7 including the United States, the state, any political subdivision  
 3-8 or body politic and corporate of the state, any other state, any  
 3-9 political subdivision or body politic and corporate within any  
 3-10 other state, and any interstate compact commission or similar  
 3-11 organization, necessary or convenient to the exercise of the  
 3-12 powers, rights, privileges and functions of the District and to  
 3-13 take all actions and execute all instruments necessary or  
 3-14 convenient to the exercise of the powers, rights, privileges and  
 3-15 functions of the District.

3-16 (l) To make or cause to be made surveys and engineering  
 3-17 investigations for the information of the District, to facilitate  
 3-18 the accomplishment of the purposes for which it is created.

3-19 (m) To borrow money for its corporate purposes, and without  
 3-20 limitation of the generality of the foregoing to borrow money and  
 3-21 accept grants, gratuities or other support from the United States  
 3-22 of America or the State of Texas, or from any corporation or agency  
 3-23 created or designated by the United States of America or the State  
 3-24 of Texas, and, in connection with any such loan, grant, or other  
 3-25 support, to enter into such arrangement with the United States of  
 3-26 America or the State of Texas or such corporation or agency, of  
 3-27 either as the District may deem advisable.

3-28 (n) To make and issue its negotiable bonds for moneys  
 3-29 borrowed in the manner and to the extent provided in this Act and  
 3-30 with reference thereto or otherwise to contract in any manner it  
 3-31 shall see fit and as may be required by any law pertaining to loans,  
 3-32 grants or other support received from the United States of America  
 3-33 or the State of Texas or from any corporation or agency, of either  
 3-34 of them.

3-35 (o) To make such contracts in the issuance of bonds as may be  
 3-36 considered necessary or convenient to insure the marketability  
 3-37 thereof.

3-38 (p) To sue or be sued in its corporate name, provided that if  
 3-39 the District prevails in a suit against a person or governmental  
 3-40 entity entitled to recover attorney's fees, costs for expert  
 3-41 witnesses, or any other related costs, the District is entitled to  
 3-42 recover those fees and costs according to the same terms that would  
 3-43 have governed recovery for the other person or governmental entity  
 3-44 if the District had not prevailed.

3-45 (q) To adopt, use and alter a corporate seal.

3-46 (r) To make by-laws for the management and regulation of its  
 3-47 affairs.

3-48 (s) To fix and collect charges and rates for water services  
 3-49 furnished by it and to impose penalties for failure to pay such  
 3-50 charges and rates when due, provided that such charges, rates and  
 3-51 penalties shall be fixed only by unanimous vote of the members of  
 3-52 the Board of Directors constituting a quorum and who are present at  
 3-53 a regular meeting.

3-54 (t) To cooperate and to enter into contracts with cities,  
 3-55 persons, firms, corporations and public agencies for the purpose of  
 3-56 supplying and selling them surface, storm, flood, underground, and  
 3-57 other water for municipal, domestic, industrial, and other useful  
 3-58 purposes permitted by law, provided that cities and areas  
 3-59 constituting the District shall be accorded priority in the  
 3-60 allocation of the District's available surface, storm, flood,  
 3-61 underground, and other water, and the Board of Directors shall  
 3-62 prescribe rules to effectuate this provision. Any such contract  
 3-63 may be upon such terms and for such time as the parties may agree,  
 3-64 and it may provide that it shall continue in effect until the  
 3-65 District's bonds specified therein and refunding bonds issued in  
 3-66 lieu of such bonds are fully paid. The authority of each member or  
 3-67 other city to enter into any contract with the District for the sale  
 3-68 of water or other services or for any other purpose within the  
 3-69 powers, rights, privileges, and functions of the District is vested

4-1 exclusively in the governing body of each member or other city  
 4-2 notwithstanding any provision of any home rule charter or any local  
 4-3 ordinance of such member or other city, or of any other provision of  
 4-4 any other law placing any restriction, limitation, or requirement  
 4-5 on the authority of the governing body of any member or other city  
 4-6 to enter into any such contract. No provision of the home rule  
 4-7 charter or of any other ordinance of any member or other city, and  
 4-8 no provision of any other law in conflict herewith will invalidate  
 4-9 or impair, in whole or in part, the enforceability and validity of  
 4-10 any contract entered into by the District with any member or other  
 4-11 city pursuant to the powers, rights, and privileges or functions of  
 4-12 the district. In the event the District shall have contracted with  
 4-13 the United States Government or any of its agencies for a source of  
 4-14 water supply or for the furnishing of any facilities necessary or  
 4-15 useful to the District in carrying out its purposes, any such  
 4-16 contract entered into under authority hereof may provide that it  
 4-17 shall continue until the District has fully discharged all  
 4-18 obligations incurred by it under the terms of its contract with the  
 4-19 United States Government or its agencies. The District is also  
 4-20 authorized to purchase surface, storm, flood, underground, and  
 4-21 other water supply from any person, firm, corporation or public  
 4-22 agency, or from the United States Government or any of its agencies.

4-23 (u) To operate and maintain with the consent of the  
 4-24 governing body of any city or town located within the District, any  
 4-25 works, plants or facilities of any such city deemed necessary or  
 4-26 convenient to the accomplishment of the purposes for which the  
 4-27 District is created.

4-28 (v) To levy, assess and collect ad valorem taxes to provide  
 4-29 funds necessary to construct or acquire, maintain and operate  
 4-30 improvements, works, plants and facilities deemed essential and  
 4-31 beneficial to the District upon a favorable majority vote of the  
 4-32 qualified property taxpaying electors voting at an election held  
 4-33 for that purpose within the District; and also, when so authorized,  
 4-34 to levy, assess and collect taxes to provide funds adequate to  
 4-35 defray the cost of the maintenance and operation and administration  
 4-36 of the District. Elections for the voting of such taxes shall be  
 4-37 ordered by the Board of Directors and shall be held and conducted as  
 4-38 provided herein for elections for the issuance of bonds and the levy  
 4-39 of taxes in support thereof. When so levied such taxes, as well as  
 4-40 taxes hereinafter provided to be levied in support of bond  
 4-41 indebtedness, shall constitute a lien on the property against which  
 4-42 such taxes are levied and assessed, and limitations shall not bar  
 4-43 the collection and enforcement thereof.

4-44 (w) To do any and all acts and things necessary or  
 4-45 convenient to the exercise of the powers, rights, privileges or  
 4-46 functions conferred upon or permitted the District by any other  
 4-47 law.

4-48 SECTION 3. Section 14, Chapter 243, Acts of the 53rd  
 4-49 Legislature, Regular Session, 1953, is amended to read as follows:

4-50 Sec. 14. ~~[Awarding Construction or Purchase] Contracts.~~  
 4-51 The District may negotiate, enter, and modify a contract in  
 4-52 accordance with general law applicable to a municipality or to a  
 4-53 district created under Section 59, Article XVI, Texas Constitution  
 4-54 [Any contract requiring an expenditure of more than Twenty-five  
 4-55 Thousand (\$25,000.00) Dollars shall not be made until after  
 4-56 publication of a notice to bidders once each week for two weeks  
 4-57 before awarding the contract. Such notice shall be sufficient if it  
 4-58 states the time and place when and where the bids will be opened,  
 4-59 the general nature of the work to be done, or the material,  
 4-60 equipment or supplies to be purchased, and states when and upon what  
 4-61 terms copies of the plans and specifications may be obtained. The  
 4-62 publication shall be in a newspaper published in the District  
 4-63 designated by the Board of Directors].

4-64 SECTION 4. Section 13, Chapter 243, Acts of the 53rd  
 4-65 Legislature, Regular Session, 1953, as amended by this Act, applies  
 4-66 only to a suit filed on or after the effective date of this Act. A  
 4-67 suit filed before that date is governed by the law in effect on the  
 4-68 date the suit is filed, and that law is continued in effect for that  
 4-69 purpose.

5-1 SECTION 5. Section 14, Chapter 243, Acts of the 53rd  
5-2 Legislature, Regular Session, 1953, as amended by this Act, applies  
5-3 only to a contract entered into on or after the effective date of  
5-4 this Act. A contract entered into before that date is governed by  
5-5 the law in effect on the date of the contract, and that law is  
5-6 continued in effect for that purpose.

5-7 SECTION 6. This Act takes effect September 1, 2007.

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